

January 29, 1992 LB 682

PRESIDENT MOUL: We will now proceed again with Select File. We need to pass over LB 764 and 529, so LB 682 is the next bill.

CLERK: Madam President, 682, I have E & R amendments pending, Senator Will.

PRESIDENT MOUL: Senator Will.

SENATOR WILL: Madam President, I move the adoption of the E & R amendments to LB 682.

PRESIDENT MOUL: You've heard the motion to adopt the E & R amendments. All those in favor please say aye. Opposed nay. E & R amendments are adopted.

CLERK: Madam President, Senator Nelson would move to amend. Senator, I have your AM2578 in front of me. (See pages 552-57 of the Legislative Journal.)

SENATOR NELSON: Thank you, Madam Speaker. AM2578 I just got down from the Bill Drafters a little while ago, and since it is a number of pages, eight pages, I preferred not to pass it out to the body. In LB 682, which I think most of you know is an increase in the current judges' retirement plan, it made an increase of approximately about \$500 a month to the current retirees. There are ample funds in the fund, and it is actuarially very sound. However, we did find a technical problem with the bill, and that problem is that the current benefits maximum is 60 percent of final average salary, and a member only needed to contribute 18 years to reach this current maximum of 60 percent. The provisions of LB 652 extended that that the current member needed to contribute for 20 years in order to reach the maximum amount of 70 percent, and in order to maintain the actuarial soundness of the judges' retirement system, we did not want to create an unfunded liability. So we had to come up with some type of a system to be fair to the retirees that may have had 30 years of service and still did not pay in for more than 18 years so that they could get the extra 10 percent in their retirement. What we did is, and this took considerable amount of research and time, so that we did not do...well, undo what we already had given them. So because of the 18 years necessary, we had to come up with some type of additional contribution, and what we did was that it will allow the judges that have not paid into the system for 20 years to purchase two additional years in order to achieve the